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13 PHILIPS LUMILEDS LIGHTING COMPANY, LLC

14 UNITED STATES DISTRICT COURT  
15 NORTHERN DISTRICT OF CALIFORNIA  
16 OAKLAND DIVISION  
17

18 EPISTAR CORPORATION,

19 Plaintiff,

20 v.

21 PHILIPS LUMILEDS LIGHTING  
22 COMPANY, LLC,

23 Defendant.

24 AND RELATED COUNTERCLAIMS  
25

Case No. C 07-5194 CW

**[PROPOSED] ORDER GRANTING  
PHILIPS LUMILEDS LIGHTING  
COMPANY'S MOTION TO STAY**

**[PROPOSED] ORDER GRANTING MOTION TO STAY**

The Court having considered the papers submitted by the parties, the papers on file in this case, and good cause appearing, the Court hereby GRANTS Philips Lumileds Lighting Company, LLC's Motion to Stay and STAYS the above-entitled case in its entirety pending resolution of the United States International Trade Commission's investigation, titled *In the Matter of Certain High-Brightness Light Emitting Diodes and Products Containing Same*, Inv. No. 337-TA-55.

The determination of whether to grant a stay is soundly within the Court's discretion. *See Landis v. North American Co.*, 299 U.S. 248, 254 (1936) (concluding that the power to stay is "incidental to the power inherent in every court to control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants"). A stay may be the most efficient and fairest course where there are "independent proceedings which bear upon the case." *Leyva v. Certified Growers of Cal., Ltd.*, 593 F.2d 857, 863-64 (9th Cir. 1979).

In exercising its discretion to grant a stay, this Court has considered (1) the orderly course of justice measured in terms of the simplifying or complicating issues, proof, and questions of law which could be expected to result from a stay, (2) possible damage which may result from the granting of a stay, and (3) the hardship or inequity that a party may suffer in being forced to go forward. *Landis*, 299 U.S. at 255-56. The Court finds that all three factors weigh in favor of a stay of this action in its entirety pending the final determination of the ITC proceedings.

First, a stay will simplify the issues this Court must resolve. There is significant overlap between this case, the earlier-filed related case also pending before this Court (*Lumileds Lighting U.S., LLC v. Epistar Corp. & United Epitaxy Co., Ltd.*, Case No. 05-4521 CW), and the on-going ITC proceedings. Moreover, many of the claims, defenses, and issues in the two cases before this court are significantly intertwined. Case No. 05-4521 CW is currently stayed at Epistar's request pursuant to 28 U.S.C. § 1659 until the conclusion of the ITC proceedings. Allowing the ITC proceedings to conclude and thereafter (if necessary) resolving the two related cases before this Court in a coordinated manner will avoid piecemeal, duplicative litigation. *See Kerotest Mfg. Co. v. C-O-Two Fire Equipment Co.*, 342 U.S. 180 (1952). It will also minimize the burden on this

1 Court with regard to overseeing discovery disputes, dispositive motions, and trial, as the parties  
 2 may resolve and narrow the issues to be decided and the number of hearings may be consolidated.

3 Second, Epistar will not be unduly prejudiced by staying this action. As discussed above,  
 4 related Case No. 05-4521 CW is currently stayed at Epistar's request pursuant to 28 U.S.C.  
 5 § 1659 until the conclusion of the ITC proceedings. In addition, the parties are actively litigating  
 6 in the ITC a number of the underlying questions at issue here. Several of the decisions rendered  
 7 by the ITC will have *res judicata* effect in this proceeding. *See Union Mfg. Co. v. Han Baek*  
 8 *Trading Co.*, 763 F.2d 42, 45-46 (2d. Cir. 1985); *see also Telectronics Proprietary, Ltd. v.*  
 9 *Medtronic, Inc.*, 687 F. Supp. 832, 846 (S.D.N.Y. 1988). Accordingly, the ITC proceedings will  
 10 both narrow the issues left for this Court to resolve and will resolve those aspects of the parties'  
 11 dispute before they could be presented to this Court, even if the case were not stayed, because  
 12 those proceedings are substantially further along than the two related cases in this Court.

13 Third, Lumileds will suffer hardship if this action is allowed to proceed, even in part,  
 14 because it will be forced to litigate numerous overlapping issues at the same time in different  
 15 forums. In addition, if this action is not stayed alongside related Case No. 05-4521, Lumileds  
 16 will be forced to litigate many of the same issues twice.

17 Finally, the Court finds persuasive the determinate and limited duration of the requested  
 18 stay.

19 For all of these reasons, IT IS HEREBY ORDERED that this case shall be stayed pending  
 20 resolution of the ITC proceedings titled *In the Matter of Certain High-Brightness Light Emitting*  
 21 *Diodes and Products Containing Same*, Inv. No. 337-TA-55. The parties are instructed to timely  
 22 inform the Court when the ITC proceedings, and related appeal to the United States Court of  
 23 Appeals for the Federal Circuit, have been completed.

24 IT IS SO ORDERED.

25 Dated:

26 \_\_\_\_\_  
 27 CLAUDIA WILKEN  
 UNITED STATES DISTRICT JUDGE